SUPREME COURT, U.S.
2007
OFFICE OF THE CLERK

No. _____

In the Supreme Court of the United States

RENO A & E,

Petitioner,

v.

EBERLE DESIGN, INC.,
ELECTRONIC DEVICES, INC.,

Respondents.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

PETITION FOR WRIT OF CERTIORARI

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May 31, 2007

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QUESTION PRESENTED

When does the Federal Circuit apply its own law, versus regional circuit law, to procedural issues in patent cases?

RULE 14.1(b) STATEMENT

A list of all parties to the proceeding in the court whose judgment is the subject of this petition is as follows:
Reno A & E
Eberle Design, Inc.
Electronic Devices, Inc.

RULE 29.6 STATEMENT

Reno A & E has no parent or publicly held company owning 10% or more of its stock.

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PETITION FOR A WRIT OF CERTIORARI

Reno A & E respectfully petitions for a writ of certiorari to review the opinion and judgment of the Federal Circuit.

OPINIONS BELOW

March 2, 2007 Order in the United States Court of Appeals for the Federal Circuit (Appendix A).

January 3, 2007 Order in the United States Court of Appeals for the Federal Circuit (Appendix B).

January 16, 2006 Order in the United States District Court District of Arizona (Appendix C).

JURISDICTION

This Court has jurisdiction pursuant to 28 U.S.C. § 1254(1), following the order denying rehearing or rehearing *en banc* entered by the Federal Circuit on March 2, 2007.

STATUTORY PROVISIONS INVOLVED

There are no applicable statutory provisions involved in this case.

STATEMENT OF THE CASE

I. The Federal Circuit's Decision To Apply Regional Circuit Law, Instead Of Federal Circuit Law, To The Procedural Issue In Reno A&E's Patent Case Is Contrary To Its Own Precedent; And The Federal Circuit's Failure To Consistently Apply Its Own Law To Procedural Issues In Patent Cases Raises An Important Federal Question

Petitioner Reno A&E ("Reno") respectively submits that the Federal Circuit has entered a decision in conflict with another decision of the same Court, and has left unsettled an important federal question related to when Federal Circuit law, versus regional circuit law, applies to procedural issues in patent cases. Under the instruction of *Biodex Corporation v. Loredan Biomedical, Inc.*, 946 F.2d 850 (Fed. Cir. 1991) and related cases, the Federal Circuit should have applied its own law in deciding the procedural issue of whether the Court should reach the merits of Reno's patent appeal even though Reno did not formally renew its motion for judgment as a matter of law at the close of all the evidence. The Federal Circuit fails to uniformly apply either Federal Circuit law or regional circuit law to procedural issues in patent cases, creating ambiguity on the important federal issue. As such, this Court should grant certiorari.

The district court's subject matter jurisdiction was based upon 28 U.S.C. §§ 1331 and 1338(a), and jurisdiction of the Court of Appeals for the Federal Circuit was based upon 28 U.S.C. § 1295(a)(1).

REASONS FOR GRANTING THE PETITION

I. The Federal Circuit's Decision To Apply Ninth Circuit Law To The Procedural Issue In Reno's Patent Appeal Conflicts With Another Decision Of The Same Court

In *Biodex Corporation v. Loredan Biomedical, Inc.*, the Federal Circuit addressed in detail when it should apply its own law, instead of regional circuit law, to procedural issues. In that case, Biodex sued an alleged infringer of a patent for devices related to muscle rehabilitation. *Biodex*, 946 F.2d at 852. During trial, Biodex orally moved for judgment as a matter of law (JMOL) at the end of testimony, but the district court never ruled on the motion. *Id.* at 853. Biodex failed to make any post-verdict motions, either by renewing its motion for a directed verdict, moving for a new trial, or by moving for judgment *non obstante veredicto* (JNOV). *Id.* On appeal, Biodex contended that the verdicts of invalidity of one patent and non-infringement of the other were not supported by substantial evidence. *Id.* The alleged infringer argued that Biodex failed to preserve the issues for appellate review by failing to file a post-verdict motion in the district court. *Id.*

The *Biodex* Court held that Federal Circuit law applied to the issue of whether a post-verdict motion was a prerequisite to appellate review of the sufficiency of the evidence underlying a jury verdict. *Biodex*, 946 F.2d at 858-859. Relying largely on *Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564 (Fed. Cir. 1984), *overruled on other grounds by Richardson-Merrell, Inc. v. Koller*, 472 U.S. 424 (1985), the *Biodex* Court concluded that Federal Circuit law applied because "the issue at hand, albeit procedural, bears an essential relationship to matters committed to our exclusive control by statute, the appellate review of patent trials." *Id.* The Court reasoned that because 28 U.S.C. §§ 1295(a)(1) and

1338 expressly mandate that the Federal Circuit hear all appeals from a final decision of a district court relating to patents, a determination of the prerequisites to the appellate review of legal issues was committed to the law of the Federal Circuit. *Id.*

A. The Federal Circuit Should Have Applied Its Own Law To The Procedural Issue In Reno's Appeal Regarding Reviewability Of The Sufficiency Of Evidence

Similar to the facts in *Biodex*, the procedural issue in Reno's appeal was a determination of the prerequisites for appellate review of the sufficiency of evidence regarding an issue of patent law. Therefore, under *Biodex*, the Federal Circuit should have applied its own law to determine those prerequisites, given the essential relationship between the procedural issue and the patent law issues committed to the exclusive jurisdiction of the Federal Circuit by statute. *See Biodex*, 946 F.2d at 858-859; *see also Duro-Last, Inc. v. Custom Seal, Inc.*, 321 F.3d 1098, 1106 (Fed. Cir. 2003) (applying Federal Circuit law to question of whether a pre-verdict JMOL motion directed to inequitable conduct and the on-sale bar is sufficient to preserve the right to a post-verdict JMOL motion directed to obviousness).

B. Under Federal Circuit Law, Reno's Motion For Directed Verdict At The Close Of Its Opponent's Case Was Sufficient To Preserve For Appeal The Sufficiency Of Evidence Regarding The On-Sale Bar

Moreover, if the Federal Circuit had decided the issue under Federal Circuit law, it should have resulted in a different outcome. In *Duro-Last, Inc. v. Custom Seal, Inc.*, the Federal Circuit stated that "[a] liberal reading of [Rule 50] may be appropriate in some circumstances, such as when the

failure is largely a technical one, and no prejudice results[;][f]or example, courts may excuse a party's failure to comply with the technical requirements of Rule 50 if the party clearly challenged the sufficiency of the evidence on the disputed issue at *some point during trial*, thereby alerting the opposing party as to the grounds on which the evidence is allegedly insufficient." *Duro-Last*, 321 F.3d at 1106 (citing *Boynton v. TRW, Inc.*, 858 F.2d 1178, 1185-86 (6th Cir. 1988)). Therefore, the Federal Circuit characterized the requirement that a party move for directed verdict at the close of all evidence as "technical," and suggested that, like in *Boynton*, it would excuse a failure to comply with the technicality where the opposing party was alerted to the grounds for the insufficiency of evidence argument. *Id.*

The Federal Circuit's decision in Reno's case is contrary to its prior decisions in *Biodex* and *Duro-Last*. Therefore, Reno respectfully requests that this Court grant certiorari.

II. The Federal Circuit Has Not Consistently Ruled On The Issue Of When Federal Circuit Law, Versus Regional Circuit Law, Applies To Procedural Issues On Appeal In Patent Cases

Petitioner respectively submits that the issue of what law applies to procedural issues in patent cases is an important federal question because the Federal Circuit has not applied a uniform test or inquiry to determine the answer, and has not ruled consistently on the issue. *See Midwest Industries, Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356, 1359 (Fed. Cir. 1999) (*en banc* in relevant part) (recognizing the difficulty in determining what law applies to procedural issues in patent cases under the tests set forth in precedent); *Biodex*, 946 F.2d at 855-856 (recognizing that the case law is unclear on whether the Federal Circuit should or must defer to the law of

the regional circuit on the issue of whether a party sufficiently moved under Rule 50(b) to preserve sufficiency of evidence arguments on appeal); *Dana v. E.S. Originals, Inc.*, 342 F.3d 1320, 1327 (Fed. Cir. 2003) (Dyk, J., concurring) ("At present, our jurisprudence on this question [about which law applies to the procedural issue] is at best confusing.")

The Federal Circuit has not ruled consistently on the issue of which law applies to procedural issues in patent cases. *Compare Biodex*, 946 F.2d at 858-859 (applying Federal Circuit law to determine the reviewability of the sufficiency of the evidence in a patent case where the party failed to make any post-verdict motions); *Beverly Hills Fan Co. v. Royal Sovereign Corp.*, 21 F.3d 1558, 1564 (Fed. Cir. 1994) (applying Federal Circuit law to the question of whether the district court has personal jurisdiction over a patent defendant); *Manildra Milling Corp. v. Ogilvie Mills, Inc.*, 76 F.3d 1178, 1182 (Fed. Cir. 1996) (applying Federal Circuit law to the issue of whether a party in a patent case is a "prevailing party" for purposes of Rule 54(d) of the Federal Rules of Civil Procedure); *Hybritech Inc. v. Abbott La.*, 849 F.2d 1446, 1451 n. 12 (Fed. Cir. 1998) (applying Federal Circuit law to the issue of whether the plaintiff met requirements to a preliminary injunction in a patent case); *Goodyear Tire & Rubber Co. v. Releaseomers, Inc.*, 824 F.2d 953, 954-955 n. 3 (Fed. Cir. 1987) (applying Federal Circuit law to the issue of whether a sufficient controversy exists to permit an action for declaratory judgment of patent non-infringement); *Gardco Mfg., Inc. v. Herst Lighting Co.*, 820 F.2d 1209, 1212 (Fed. Cir. 1987) (applying Federal Circuit law to the issue of whether a patentee was entitled to jury trial on the issue of inequitable conduct); *Truswal Sys., Corp. v. Hydro-Air Eng'g, Inc.*, 813 F.2d 1207, 1212 (Fed. Cir. 1987) (applying Federal Circuit law to the issue of whether materials were relevant for purposes of discovery in a patent

case under Fed. R. Civ. P. 26); *Tex. Instruments Inc., v. Cypress Semiconductor Corp.*, 90 F.3d 1558, 1566 n. 6 (Fed. Cir. 1996) (applying Federal Circuit law to the issue of whether a pre-verdict JMOL motion on infringement is sufficient to support a post-verdict JMOL motion on infringement under the doctrine of equivalents), with *Eberle Design Inc. v. Reno A&E*, United States District Court, District of Arizona Case No. 2:02-cv-2575 (case below) (applying Ninth Circuit law to the issue of whether the Court may review on appeal the sufficiency of the evidence in a patent case); *Vardon Golf Company, Inc. v. Karsten Manufacturing Corp.*, 294 F.3d 1330, 1333 (Fed. Cir. 2002) (applying Seventh Circuit law to the application of collateral estoppel in a patent case); *Dana v. E.S. Originals, Inc.*, 342 F.3d 1320, 1323 (Fed. Cir. 2003) (same); *Delta-X Corp. v. Baker Hughes Production Tools, Inc.*, 984 F.2d 410, 412 (Fed. Cir. 1993) (applying Fifth Circuit law to determine the import of the failure to move for a directed verdict in a patent case); *Zodiac Pool Care, Inc. v. Hoffinger Industries, Inc.*, 206 F.3d 1408, 1416 (Fed. Cir. 2000) (deferring to Eleventh Circuit law on the issue of whether failure to renew JMOL at the close of all evidence in a patent case acted as a waiver to the sufficiency of the evidence argument on appeal); *Wilson Sporting Goods Company v. David Geoffrey & Assocs.*, 904 F.2d 677, 683 (Fed. Cir. 1990), *overruled in part on other grounds by Cardinal Chem. Co. v. Morton Int'l*, 508 U.S. 83 (1993) (deferring to Fourth Circuit law in determining whether a directed verdict motion was sufficiently specific to preserve for appeal a JNOV motion).

A. The Federal Circuit's Failure To Apply A Uniform Test To Determine What Law Applies To Procedural Issues On Appeal In Patent Cases Raises An Important Federal Question

The *Biodex* Court reviewed the various tests and inquiries used by the Federal Circuit to determine when deference to regional circuit law regarding procedural issues is appropriate. *Biodex*, 946 F.2d at 855-858. The Court recognized that the initial inquiry used by the Federal Circuit in determining whether deference to regional circuit law was due, was to decide whether the law that must be applied, whether procedural or substantive, was one "... over which this court does not have exclusive appellate jurisdiction." *Id.* at 855-856 (citing *Cicena Ltd. v. Columbia Telecommunications Group*, 900 F.2d 1546, 1548 (Fed. Cir. 1990)). "This test has been variously and inconstantly phrased, including determining whether the issue concerns a "subject which is not unique to patent law," or which is "not specific to our statutory jurisdiction." *Id.* at 856 (citing *Kalman v. The Berlyn Corp.*, 914 F.2d 1473, 1480 (Fed. Cir. 1990) and *Registration Control Sys. v. Compusystems, Inc.*, 922 F.2d 805, 807 (Fed. Cir. 1990)).

The *Biodex* Court recognized that as an alternative, the Federal Circuit on occasion looked to whether the procedural issue may be "related" to "substantive matters unique to the Federal Circuit" and thus committed to Federal Circuit law. *Id.* (internal quotations omitted) (citing *Chrysler Motors Corp. v. Auto Body Panels of Ohio, Inc.*, 908 F.2d 951, 953 (Fed. Cir. 1990)). But that test does not end the inquiry, the *Biodex* Court concluded. *Id.* at 857. Secondarily, the Federal Circuit has considered "whether most cases involving the issue will come on appeal to this court thereby putting us in a good position to create a uniform body of federal law on the

issue." *Id.* (internal quotations omitted) (citing *Forman v. United States*, 767 F.2d 875, 880 n. 6 (Fed. Cir. 1985)).

Finally, the *Biodex* Court affirmed that the Federal Circuit generally conformed to the law of the regional circuits, without regard to the relationship of the issue to the Federal Circuit's exclusive jurisdiction, when there is existing and expressed uniformity among the circuits. *Id.*

Concluding that none of the various tests applied by the Federal Circuit made it clear what law should apply to the procedural question before it, the *Biodex* Court went on to examine the origins of the rule of deference. *Id.* The Court first noted *Atari, Inc. v. JS & A Group, Inc.*, 747 F.2d 1422 (Fed. Cir. 1984) (*en banc*). In *Atari*, the Federal Circuit explained that the concept of applying regional circuit law to nonpatent issues is based "more on systemic practicality than on judicial humility." *Atari*, 747 F.2d at 1440. The *Biodex* Court then studied *Panduit Corp. v. All States Plastic Mfg. Co.*, a case in which the Federal Circuit stated that the resolution of the issue of deference in particular cases would depend on whether the procedural matter should "pertain to" or be "related to patent issues, [such that] they have a direct bearing on the outcome." *Biodex*, 946 F.2d at 857 (internal quotations omitted) (quoting *Panduit*, 744 F.2d 1574-75 n. 14). Recognizing that *Panduit* does not require the Federal Circuit to defer the resolution of all procedural issues merely because that issue might separately arise in a case having nothing to do with patent law, the *Biodex* Court examined cases where the Federal Circuit did not defer to regional circuit law when deciding such procedural issues. *Id.* at 858.

In *Chrysler Motors Corp. v. Auto Body Panels of Ohio, Inc.*, the Court was confronted with the applicable standard for the issuance of a preliminary injunction, a procedural

issue not necessarily limited to patent law, and determined that Federal Circuit law should apply because the question on appeal involved patent law, substantive law unique to the Federal Circuit. *Chrysler*, 908 F.2d at 953. The *Chrysler* Court stated that "when the question on appeal is one involving substantive matters unique to the Federal Circuit, . . . we apply to related procedural issues the law of this circuit." *Id.*

Similarly, in *Sun-Tek Indus. Inc. v. Kennedy Sky Lites, Inc.*, 856 F.2d 173 (Fed. Cir. 1988), *cert. denied*, 488 U.S. 1009 (1989), the Court was confronted with the procedural issue of whether an order increasing a supersedeas bond was a final appealable order. *Id.* at 175-176. Although the procedural issue is not confined to patent law, the Court declined to defer because the issue directly related to the Federal Circuit's appellate jurisdiction. *Id.*

Relying on *Panduit* and its progeny, the *Biodex* Court concluded that the issue before it – reviewability on appeal of the sufficiency of the evidence in a patent trial absent any post-verdict motions - was an essential matter committed to the Federal Circuit's exclusive control over patent appeals. *Biodex*, 946 F.2d at 858-859.

Following *Biodex*, the Federal Circuit in *Midwest Industries, Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356 (Fed. Cir. 1999) (*en banc* in relevant part) articulated a slightly different approach to the deference issue when it examined what law should apply to a preemption question in a patent case, noting that "it has not been obvious whether a particular issue should be characterized as a 'patent' issue or not." *Id.* at 1359. After analyzing two cases addressing the issue of deference, *Pro-Mold & Tool Co. v. Great Lakes Plastics, Inc.*, 75 F.3d 1568 (Fed. Cir. 1996), and

Nobelpharma AB v. Implant Innovations, Inc., 141 F.3d 1059 (Fed. Cir. 1998), *cert. denied,* 525 U.S. 876 (1998), the *Midwest Industries* Court concluded that:

> [T]he rigid division between substantive patent law issues and all other substantive and procedural issues, which was the basis for the court's choice-of-law ruling in [previous cases], no longer represents this court's approach to choice-of-law questions in patent cases[;] [r]ather, cases such as *Pro-Mold* and *Nobelpharma* make clear that our responsibility as the tribunal having sole appellate responsibility for the development of patent law requires that we do more than simply apply our law to questions of substantive patent law.

Id. at 1360.

Recognizing that no clear line of demarcation for deference exists, the *Midwest* Court held that it was its responsibility to apply Federal Circuit law to issues of preemption in order to avoid "the awkward posture of holding that, with respect to cases coming to us from district courts in some circuits, patent law forecloses certain other causes of action, but with respect to cases coming to us from district courts in other circuits, it does not." *Id.* In so ruling, the *en banc* Court in *Midwest Industries* concluded that by applying Federal Circuit law to the preemption issue, it was promoting uniformity in the law with regard to subject matter within its exclusive appellate jurisdiction. *Id.* at 1360-1361.

B. This Court Should Promote Uniformity In The Law By Determining That Federal Circuit Law Applies To Procedural Issues In Patent Cases

This Court should grant certiorari to decide that Federal Circuit law applies to a determination of whether a Rule 50 motion is sufficient to preserve for appeal a review of the sufficiency of the evidence. Such a ruling would promote uniformity in the law by avoiding the awkward situation that now exists - the Federal Circuit may review on appeal the sufficiency of the evidence in a patent case following a party's failure to strictly comply with Rule 50, if the appeal comes from a district court in a circuit that applies Rule 50 liberally, but not if the appeal comes from a district court in a circuit that applies Rule 50 strictly. This Court should take this opportunity to promote uniformity in the law and dispel the awkward conundrum that now exists.

CONCLUSION

Because the Federal Circuit's decision in Reno's appeal is contrary to its precedent, and because the Federal Circuit fails to consistently apply its own law to procedural issues in patent cases, the Petitioner respectfully submits that this Court should grant certiorari to address the conflict and ambiguity raised by the Federal Circuit.

Respectfully submitted,

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APPENDIX

APPENDIX A

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

Nos. 2006-1236, 2006-1247

[Filed March 2, 2007]

EBERLE DESIGN, INC.,
Plaintiff/Counterclaim Defendant-Cross Appellant,

and

ELECTRONIC DEVICES, INC.,
Counterclaim Defendant-Cross Appellant,

v.

RENO A & E,
Defendant/Counterclaimant-Appellant.

ORDER

A combined petition for panel rehearing and for rehearing en banc having been filed by the Appellant, and the petition for rehearing, having been referred to the panel that heard the appeal, and thereafter the petition for rehearing en banc having been referred to the circuit judges who are in regular active service,

UPON CONSIDERATION THEREOF, it is

ORDERED that the petition for panel rehearing be, and the same hereby is, DENIED and it is further

ORDERED that the petition for rehearing en banc be, and the same hereby is, DENIED.

The mandate of the court will issue on March 9, 2007.

FOR THE COURT,

/s/_____
Jan Horbaly
Clerk

Dated: 03/02/2007

APPENDIX B

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

Nos. 2006-1236, 2006-1247

[Filed January 23, 2007]

EBERLE DESIGN, INC.,
Plaintiff/Counterclaim Defendant-Cross Appellant,

and

ELECTRONIC DEVICES, INC.,
Counterclaim Defendant-Cross Appellant,

v.

RENO A & E,
Defendant/Counterclaimant-Appellant.

Before BRYSON, GAJARSA, and DYK, Circuit Judges.

ORDER

The judgment of the district court is affirmed. Appellant Reno A & E did not move for judgment as a matter of law at the close of all the evidence and thus failed, under then-applicable principles of Ninth Circuit law, to preserve its right to challenge the sufficiency of the evidence on appeal. *See*

Janes v. Wal-Mart Stores, Inc., 279 F.3d 883, 886-87 (9th Cir. 2002). Although Reno timely moved for a new trial, the district court did not abuse its discretion in denying that motion because the trial court did not commit legal error when instructing the jury or in its consideration of the new trial motion, and because Reno has failed to show that the record contains no evidence to support the verdict. *See Landes Constr. Co. v. Royal Bank of Can.*, 833 F.2d 1365, 1372 (9th Cir. 1987).

We dismiss the conditional cross-appeal as improperly taken, because the cross-appeal, if successful, would not expand the scope of the judgment in the cross-appellants' favor. *See Mass. Inst. of Tech. v. Abacus Software*, 462 F.3d 1344, 1347-48 (Fed. Cir. 2006).

FOR THE COURT

JAN 23 2007
Date

/s/
Jan Horbaly
Clerk

APPENDIX C

UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

No. 2:02-cv-2575

[Filed January 16, 2006]

EBERLE DESIGN INC.,
Plaintiff, Counter Defendant,

v.

RENO A&E,
Defendant, Counter Claimant,

v.

ELECTRONIC DEVICES INC.,
Counter Defendant.

ORDER

The Court concludes that (1) Reno is not entitled to JMOL on the issue of invalidity because Eberle presented evidence from which a reasonable jury could conclude that the requirements of the on-sale bar were satisfied by clear and convincing evidence; (2) Given this ruling, Reno is not entitled to JMOL on infringement; (3) Reno is not entitled to a new trial because (a) the jury's verdict was not against the

weight of the evidence or seriously erroneous and (b) the jury instructions' omission of the word "definite" was not legally erroneous and, if legally erroneous, did not have a prejudicial effect in light of the complete instructions and full trial record. Given these conclusions, the Court need not decide whether Reno is entitled to seek a post-trial JMOL under Rule 50(b) of the Federal Rules of Civil Procedures. The Court concludes that oral argument is not necessary.

/s/
Judge David G. Campbell

Dated: 1-16-06

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(2)

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SUPREME COURT, U.S.

No. 06–1605

IN THE

Supreme Court of the United States

RENO A & E,

Petitioner,

v.

EBERLE DESIGN, INC. AND
ELECTRONIC DEVICES, INC.,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

RESPONDENTS' BRIEF IN OPPOSITION TO THE PETITION FOR CERTIORARI

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QUESTIONS PRESENTED

1. Whether the Federal Circuit correctly applied regional circuit law rather than its own law in holding that petitioner failed to make a timely pre-verdict motion for judgment as a matter of law (JMOL) under the version of Federal Rule of Civil Procedure 50(b) that was in effect at the time of trial but has since been superseded.

2. Whether application of Federal Circuit procedural law would have yielded a different outcome, given that (a) petitioner's pre-verdict JMOL motion would have been untimely under the existing standards in all circuits, (b) the district court reached the merits and found the evidence sufficient to support the jury's verdict that petitioner's patent claims were invalid, and (c) the Federal Circuit itself affirmed the district court's denial of a new trial on grounds that evidence supported the verdict.

PARTIES TO THE PROCEEDINGS AND RULE 29.6 STATEMENT

There are no parties to the proceedings other than those listed in the caption. Respondents Eberle Design, Inc. and Electronic Devices, Inc. have no parent corporations, and no publicly held company owns 10% or more of their stock.

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RESPONDENTS' BRIEF IN OPPOSITION TO THE PETITION FOR CERTIORARI

OPINIONS BELOW

The order of the district court (David G. Campbell, J.) denying petitioner Reno A & E's motions for JMOL and new trial is unreported. The order of the court of appeals (William C. Bryson, Arthur K. Gajarsa and Timothy B. Dyk, JJ.) affirming the jury verdict and judgment that Reno's patent claims were invalid is also unreported. The order of the court of appeals denying Reno's petitions for rehearing and rehearing *en banc* is likewise unreported.

JURISDICTION

The court of appeals entered judgment on January 23, 2007. Reno's petition for rehearing and rehearing *en banc* was denied on March 2, 2007. Reno filed a timely petition for certiorari on May 31, 2007. This Court has jurisdiction under 28 U.S.C. § 1254(1).

PERTINENT STATUTES AND RULES

Reno's patent claims were found invalid under 35 U.S.C. § 102(b), which provides, in relevant part:

> A person shall be entitled to a patent unless—
>
> * * *
>
> (b) the invention was * * * on sale in this country, more than one year prior

> to the date of the application for patent in the United States * * *.

Reno's preservation of its right to challenge the sufficiency of the evidence turns on the version of Federal Rule of Civil Procedure 50(b) that was in effect when trial concluded in September 2005, which provided, in relevant part:

> **(b) Renewing Motion for Judgment After Trial; Alternative Motion for New Trial.**
>
> If, for any reason, the court does not grant a motion for judgment as a matter of law made at the close of all the evidence, the court is considered to have submitted the action to the jury subject to the court's later deciding the legal questions raised by the motion. The movant may renew its request for judgment as a matter of law by filing a motion no later than 10 days after entry of judgment—and may alternatively request a new trial or join a motion for new trial under Rule 59. * * *

STATEMENT OF THE CASE

1. Inductive loop vehicle detectors determine the presence of vehicles at locations such as traffic intersections, parking garages and access gates. They typically operate in certain "function states" (operating modes) and at certain "parameter values" (e.g., loop frequencies and sensitivity settings). Reno's U.S. Patent No. 6,087,964, entitled "Vehicle Detector with Operational Display," purports to claim the incorporation of visual displays such as LCD screens into

ordinary vehicle detectors to show traditional detector function states and the identities and values of typical detector parameters.

Reno and respondent Eberle Design, Inc. compete in the market for traffic and access control devices. Respondent Electronic Devices, Inc. is a contract manufacturer for Eberle Design.

2. In October 2002, Reno filed a patent infringement action in the District of Nevada. Eberle filed a declaratory judgment action in the District of Arizona two months later. The Nevada district court transferred the Nevada action to the District of Arizona, where it was consolidated with Eberle's action.

At trial, Eberle and Electronic Devices primarily contended that Reno's patent claims were invalid and unenforceable. Among other things, respondents contended that the claims were invalid under the "on-sale bar" of 35 U.S.C. § 102(b). In particular, respondents contended that Reno and its founder and president, Thomas Potter, had offered products embodying the claimed invention for sale more than a year before Mr. Potter applied for his patent.

Under this Court's decision in *Pfaff v. Wells Electronics, Inc.*, 525 U.S. 55 (1998), the on-sale bar applies if two conditions were satisfied as of the critical date: (a) the invention had been the subject of a commercial offer for sale in this country, and (b) the invention was "ready for patenting" at the time, meaning that the inventor had conceived of the invention and could explain how to make and use it—regardless of whether the invention had been reduced to practice at the time and regardless of whether a product was then ready for shipment. *Pfaff*

also reaffirmed that a patent claim is equally invalid if the claimed invention was *obvious* in light of a product on sale before the critical date.

In this case, the jury unanimously found the asserted claims invalid because Reno had made a commercial offer to sell a product embodying the claimed invention more than two months before the critical date, at a time when the invention was ready for patenting. The evidence supporting that finding came from Reno's contemporaneous business records and the admissions of its president, Mr. Potter. In particular, the evidence showed that in February 1996, Mr. Potter responded to an order by a customer for old-style detectors by counteroffering to supply 200 new-style detectors with LCD displays, with delivery that summer. The jury did not believe Mr. Potter's excuse that the counteroffer was "ceremonial" rather than serious. The jury also rejected Mr. Potter's contention that the conceptually simple invention was not "ready for patenting" merely because additional features had to be perfected before a commercial product was ready for shipment.

3. Reno failed to move for JMOL at the close of all the evidence, as necessary to preserve its right to challenge the sufficiency of the evidence under the version of Federal Rule of Civil Procedure 50(b) then in effect.

Reno did move for JMOL at the close of respondents' case-in-chief, but the district court denied that motion during trial, finding that the facts were disputed and that the credibility calls were for the jury. The court specifically observed that "[o]bviously, Reno is free to make motions again at any point it deems appropriate in the trial." [Fed. Cir. Jt. App.

2691] Despite that invitation, Reno chose *not* to renew its JMOL motion at the close of all the evidence.

4. After the district court entered judgment on the verdict, Reno attempted to attack that judgment by renewing the motion for JMOL it had made at the close of respondents' case-in-chief. Reno also moved for a new trial on several grounds, including an allegation that the jury's verdict was contrary to the evidence. For their part, respondents countered that Reno had waived its right to challenge the sufficiency of the evidence and urged that the evidence amply supported the on-sale bar verdict in any event.

The district court upheld the verdict. Among other things, it concluded that "Reno is not entitled to JMOL on the issue of invalidity because Eberle presented evidence from which a reasonable jury could conclude that the requirements of the on-sale bar were satisfied by clear and convincing evidence." [Pet. App. 5a] It further held that "Reno is not entitled to a new trial because * * * the jury's verdict was not against the weight of the evidence or seriously erroneous * * *." [Pet. App. 5a–6a] Given those conclusions, the court declined to "decide whether Reno was entitled to seek a post-trial JMOL under Rule 50(b) * * *." [Pet. App. 6a]

5. Reno appealed, but the Federal Circuit affirmed the judgment in a short, unanimous, unpublished order that issued shortly after oral argument.

As a threshold matter, the Federal Circuit held that "Reno A & E did not move for judgment as a matter of law at the close of all the evidence and thus failed, under then-applicable principles of Ninth Circuit law, to preserve its right to challenge the

sufficiency of the evidence." [Pet. App. 3a (citing *Janes v. Wal-Mart Stores, Inc.*, 279 F.3d 883, 886–87 (9th Cir. 2002))] It further held that "[a]lthough Reno timely moved for a new trial, the district court did not abuse its discretion in denying that motion * * * because Reno has failed to show that the record contains no evidence to support the verdict." [Pet. App. 4a (citing *Landes Constr. Co. v. Royal Bank of Can.*, 833 F.2d 1365, 1372 (9th Cir. 1987))]

6. After the panel's judgment issued, Reno petitioned for rehearing and rehearing *en banc*, arguing that Federal Circuit law rather than Ninth Circuit law should govern whether it preserved its right to challenge the sufficiency of the evidence supporting the jury's verdict. Reno had never made that argument previously, nor had it suggested that *Biodex Corp. v. Loredan Biomedical, Inc.*, 946 F.2d 850 (Fed. Cir. 1991), or *Duro-Last, Inc. v. Custom Seal, Inc.*, 321 F.3d 1098 (Fed. Cir. 2003), required application of Federal Circuit procedural law. Instead, Reno had merely urged that the Ninth and other circuits had construed Rule 50(b) "flexibly" and "liberally" and excused failures to move for JMOL at the close of all the evidence.[1]

The Federal Circuit denied the petition without calling for a response and without dissent. [Pet. App. 1a–2a]

This petition for certiorari followed.

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[1] Reno did cite *Biodex* in its briefs, but only in connection with its argument (not pressed here) that the district court prejudicially erred in omitting one word in a jury instruction. Reno did not cite *Duro-Last* at all.

SUMMARY OF ARGUMENT

Reno identifies no conflict in Federal Circuit law, much less a conflict between Federal Circuit law and a decision of this Court or another circuit that could justify certiorari. The Federal Circuit has consistently applied the law of the regional circuits to procedural questions that do not implicate substantive patent law and do not involve the court's own jurisdiction or internal administration. In particular, it consistently held that regional circuit law governs whether a party's failure to move for JMOL at the close of all the evidence pursuant to Rule 50(a) precludes it from seeking JMOL after judgment under Rule 50(b). Reno cites no case to the contrary.

The decision below also raises no important issue meriting certiorari. To begin with, the memorandum decision was unpublished and therefore nonprecedential. Furthermore, although the circuits had adopted slightly different standards in evaluating waiver of the right to move for JMOL under Rule 50(b), the law going forward will be uniform. Effective December 1, 2006, Rule 50(b) has been amended to eliminate the requirement of moving for JMOL at the close of all the evidence.

In any event, even if the issue Reno raises were worthy of review, this case is a poor vehicle to decide it because the outcome here would be the same even if the Federal Circuit had applied its own law in construing Rule 50(b). Reno waived its right to challenge the sufficiency of the evidence even under the most liberal standard followed by any circuit under old Rule 50(b). Moreover, both the district court (in deciding Reno's JMOL motion) and the court of appeals (in deciding Reno's nearly identical new trial

motion) found that the evidence supported the jury's verdict. Reno does not and could not contend that those case-specific factual findings warrant review.

Reno's petition should therefore be denied.

ARGUMENT

I. Intra-Circuit Conflict Does Not Warrant Review, and Reno Identifies No Significant Intra-Circuit Conflict in Any Event

Reno's argument is founded on two mistaken premises. The first is that intra-circuit conflicts warrant intervention by this Court, and the second is that an intra-circuit conflict actually exists here.

A. Certiorari Is Designed to Resolve *Inter*-Circuit Conflicts, Not *Intra*-Circuit Conflicts

The core of Reno's argument is that the Federal Circuit's decision conflicts with two other decisions of the same court. Reno ignores, however, that it is the province of each court of appeals to resolve any internal conflicts in its jurisprudence—typically through *en banc* proceedings. Grants of certiorari by this Court, in contrast, are designed to address conflicts between decisions of *different circuits* (or between a decision of a court of appeals and a decision of this Court or a state supreme court). S. Ct. R. 10.

Notably, Reno's petition for rehearing *en banc* below made essentially the same arguments that it now advances in its petition for certiorari. The Federal Circuit perceived no conflict in its precedents. That alone is reason to deny review.

B. The Federal Circuit Has Consistently Held that Regional Circuit Law Governs Procedural Issues that Are Not Unique to Patent Law and Do Not Involve Questions of the Court's Own Power or Internal Operations

Even if this Court were inclined to police intra-circuit conflicts, there is no such conflict here.

Since its inception, the Federal Circuit has consistently held that its own precedent should govern substantive patent law issues subject to its exclusive jurisdiction, but regional circuit law generally should apply to issues that are *not* unique to patent law, including most procedural issues. *See, e.g., Sulzer Textil A.G. v. Picanol N.V.*, 358 F.3d 1356, 1363 (Fed. Cir. 2004); *Midwest Indus., Inc. v. Karavan Trailers, Inc.*, 175 F.3d 1356, 1359–61 (Fed. Cir. 1999) (*en banc* in relevant part); *Atari, Inc. v. JS & A Group, Inc.*, 747 F.2d 1422, 1440 (Fed. Cir. 1984) (*en banc*); *Panduit Corp. v. All States Plastic Mfg. Co.*, 744 F.2d 1564, 1574–75 (Fed. Cir. 1984).

The Federal Circuit wisely applies regional circuit law to non-patent issues because otherwise district courts and litigants would be forced to select between two potentially divergent lines of authority in the many cases involving both patent and non-patent issues. The Federal Circuit's approach also discourages forum-shopping by parties who could add or omit patent claims depending on whether they want Federal Circuit or regional circuit law to apply. *See, e.g., Midwest Industries,* 175 F.3d at 1359; *Atari,* 747 F.2d at 1439; *Panduit,* 744 F.2d at 1574–75.

Of course, choice-of-law guidelines are not always simple to apply in practice. Some issues, while nominally procedural or based on non-patent law, turn on or are inextricably intertwined with questions of patent law. Thus, for example, the Federal Circuit has held that its own law governs the relevance of materials in a patent case, *Truswal Sys. Corp. v. Hydro-Air Eng'g, Inc.*, 813 F.2d 1207, 1212 (Fed. Cir. 1987); which party has "prevailed" in a patent case, *Manildra Milling Corp. v. Ogilvie Mills, Inc.*, 76 F.3d 1178, 1182 (Fed. Cir. 1996); and whether patent law preempts claims under other statutes, *Midwest Industries*, 175 F.3d at 1360–61. Moreover, the Federal Circuit naturally applies its own law to questions involving its own procedural rules and its own power and jurisdiction as a court of appeals. *See Biodex*, 946 F.2d at 858.

The Federal Circuit's overarching choice-of-law principle, however, is uncontroversial and easily applied in most cases, including this one. The Federal Circuit has consistently held that the law of the regional circuit from which a case arises governs its scope of review of rulings on motions for JMOL and new trials. In particular, the Federal Circuit has repeatedly held that regional circuit law governs whether a party has waived its right to challenge the sufficiency of the evidence underlying a jury verdict by failing to make a timely JMOL motion under Rule 50(a). Those holdings have appeared in four published opinions and at least three unpublished ones:

- *Zodiac Pool Care, Inc. v. Hoffinger Indus., Inc.*, 206 F.3d 1408, 1416–17 (Fed. Cir. 2000) (applying Eleventh Circuit law and concluding that Hoffinger made a proper motion for

JMOL at the end of trial and thus preserved its right to renew that motion after trial);

- *Young Dental Mfg. Co. v. Q3 Special Prods., Inc.*, 112 F.3d 1137, 1141–42 (Fed. Cir. 1997) (applying Eighth Circuit law and holding that failure to move for JMOL at the close of all evidence barred any challenge to the sufficiency of the evidence via a "renewed" motion for JMOL or on appeal);
- *Delta-X Corp. v. Baker Hughes Prod. Tools, Inc.*, 984 F.2d 410, 412-13 (Fed. Cir. 1993) (applying Fifth Circuit law to determine the import of Baker's failure to move for directed verdict and concluding that Baker waived its right to move for JNOV);
- *Jurgens v. McKasy*, 927 F.2d 1552, 1557 (Fed. Cir. 1991) (citing Eighth Circuit law for the proposition that "[w]here a directed verdict motion is not made at the close of the evidence, the sufficiency of the evidence underlying presumed jury findings cannot be challenged through a JNOV motion or on appeal");
- *Atmel Corp. v. Silicon Storage Tech., Inc.*, 76 Fed. Appx. 298, 306, 311 (Fed. Cir. 2003) (applying Ninth Circuit law and concluding that SST's failure to move for JMOL at the close of all the evidence limited review to whether there was any evidence to support the verdict and whether plain error resulted in a manifest miscarriage of justice);
- *Bradford Co. v. Jefferson Smurfit Corp.*, 2001 WL 35738792, at *3–*4 (Fed. Cir. Oct. 31, 2001) (applying Sixth Circuit law and holding

that JSC waived its right to seek JMOL under Rule 50(b) by failing to move under Rule 50(a));

- *Cabinet Vision v. Cabnetware,* 230 F.3d 1382 (Fed. Cir. 2000) (Table) (available at 2000 WL 158463, at *4, *7–*8) (applying Ninth Circuit law based on parties' agreement that Ninth Circuit law applied, and concluding that failure to move for JMOL at the close of all the evidence barred Cabnetware from moving for JMOL under Rule 50(b)).

There is no intra-circuit split.

C. The Decision Below Is Fully Consistent with *Biodex* and *Duro-Last*

In an attempt to manufacture an intra-circuit conflict, Reno misreads the Federal Circuit's decisions in *Biodex Corp. v. Loredan Biomedical, Inc.,* and *Duro-Last, Inc. v. Custom Seal, Inc.* Properly read, *Biodex* and *Duro-Last* are fully consistent with the authority just cited.

1. *Biodex* addressed the Federal Circuit's authority to review absent a post-trial JMOL motion under Rule 50(b), not a litigant's waiver of the right to move for JMOL under Rule 50(b) by failing to make a proper predicate motion under Rule 50(a).

In *Biodex,* unlike this case, the plaintiff moved for a directed verdict under Rule 50(a) at the close of all the evidence. For some reason, however, Biodex did not renew that motion after the verdict. The question before the Federal Circuit was thus whether Biodex's failure to move under Rule 50(b) deprived it,

as an appellate court, of the authority to review the sufficiency of the evidence. 946 F.2d at 858–59.

The Federal Circuit noted its general practice of applying regional circuit law in construing the Federal Rules of Civil Procedure, *id.* at 857–58, but observed that the rationales for doing so were inapposite in that particular circumstance. In particular, because the issue was the *authority of the court of appeals,* the case raised no concern that a district court might be forced to apply two sets of rules:

> The extent to which the underlying factual findings of a judgment on a verdict are reviewed on appeal, absent a motion for JNOV, is an issue that can only arise after all the evidence is submitted and the verdict rendered. A district court would not, therefore, be required to have "served two masters" since the availability of appellate review is irrelevant to the conduct of the trial or to any decision on substantive legal issues that may arise during trial.

Id. at 859. The Federal Circuit went on to hold, as a matter of Federal Circuit law, that it could not review the sufficiency of the evidence underlying a jury verdict unless the appellant made a post-verdict motion for judgment under Rule 50(b). *Id.* at 859–62.

Since *Biodex* issued in 1991, the Federal Circuit has had no trouble distinguishing that case, which involved *its* authority as a court of appeals to review the sufficiency of the evidence absent any Rule 50(b) motion, from cases like this one, which involve a litigant's waiver of the right to move under Rule

50(b) by failing to move at the close of all the evidence under Rule 50(a). As discussed above, the Federal Circuit has consistently held that regional circuit law applies to the latter issue, which implicates district courts' power as well as appellate courts' authority.

In any event, *Biodex* has been superseded by an opinion of this Court that has effectively mooted its discussion of which circuit's law to apply. In *Unitherm Food Systems, Inc. v. Swift-Eckrich, Inc.*, 546 U.S. 394 (2006), this Court held that a party's failure to renew a motion for JMOL after a verdict precludes appellate courts from considering the sufficiency of the evidence. This Court's ruling, of course, applies in all circuits and to all kinds of cases.

2. Reno also cites *Duro-Last,* but that case merely turned to substantive patent law to determine whether a patentee's pre-verdict and post-verdict JMOL motions were based on the same grounds.

During trial, Duro-Last had moved for JMOL on Custom Seal's inequitable conduct and on-sale bar defenses. After the jury returned a verdict that the patents were invalid on a different ground, obviousness, Duro-Last purported to move for JMOL that the evidence did not support that verdict. The Federal Circuit recognized that it normally defers to regional circuit law on procedural matters that do not implicate patent law, including most questions relating to Rule 50 motions. 321 F.3d at 1106. It observed, however, that the case before it "involve[d] the specific question of whether a pre-verdict motion directed to inequitable conduct and the on-sale bar is sufficient to preserve the right to a post-verdict JMOL motion directed to obviousness." *Id.* "Because

that precise issue pertain[ed] uniquely to patent law, [the Federal Circuit] review[ed] the district court's determination under Federal Circuit law." *Id.*

Contrary to Reno's suggestion, the Federal Circuit did *not* hold or even imply that Federal Circuit law governs the timeliness of a predicate motion under Rule 50(a). Rather, it noted that "there is no question that Duro-Last made a timely JMOL motion at the close of evidence" and the question instead was "whether that JMOL motion sufficiently raised the obviousness issue." *Id.* at 1107. Here the situation is the opposite: Reno's purported Rule 50(b) motion undisputedly raised the same issue as its Rule 50(a) motion. Instead, the question was whether Reno made a timely Rule 50(a) motion at the close of all the evidence. The latter question, the Federal Circuit has consistently held, does not implicate substantive patent law and therefore turns on the standards of regional circuit law.

II. This Case Raises No Important Legal Issue of Enduring Concern

Reno also errs in suggesting that this case raises a legal issue of ongoing importance. To begin with, the Federal Circuit's two-paragraph judgment order was unpublished and therefore nonprecedential. Moreover, even if the order had been published, the Federal Circuit's decision to apply regional circuit law in deciding the timeliness of a predicate motion under Rule 50(a) would have no lasting impact. The choice of regional circuit or Federal Circuit law matters only if circuit law varies, and the law will be uniform going forward due to a recent amendment to Rule 50(b).

When this case was tried, Rule 50(b) provided that a movant could renew a motion for judgment as a matter of law only if it had previously made that motion "at the close of all the evidence." As discussed below, the circuits varied somewhat in how strictly they enforced that requirement—in particular when a motion made *before* the close of evidence would be considered equivalent to a motion made *at* the close of evidence. The drafters of the Federal Rules of Civil Procedure resolved the issue going forward by rewriting Rule 50(b) in 2006 to allow renewal of a Rule 50(a) motion made "at any time before the case is submitted to the jury." The Advisory Committee Note explained why the change was desirable, but also why effecting it required an actual amendment to the text of the rule:

> This change responds to many decisions that have begun to move away from requiring a motion for judgment as a matter of law at the literal close of all the evidence. Although the requirement has been clearly established for several decades, lawyers continue to overlook it. The courts are slowly working away from the formal requirement. The amendment establishes the functional approach that courts have been unable to reach under the present rule and makes practice more consistent and predictable.

The amendment took effect (prospectively) on December 1, 2006.[2] The proper reading of *old* Rule

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[2] Reno has never suggested that the December 2006 amendment retroactively justified its failure to move for JMOL at the close of all the evidence as required by the rule in effect in

50(b) thus matters only for cases that were tried before then. The question presented here, moreover, is not which reading of old Rule 50(b) was correct, but which circuit's law the Federal Circuit should have consulted in deciding how to apply old Rule 50(b). That question is one step further removed and of even less ongoing significance.

III. The Outcome of This Case Would Be the Same Even If Federal Circuit Law Applied to the Waiver Issue

Even if this Court were inclined to decide the questions presented, this case is a poor vehicle for doing so because the outcome would be the same in any event. Reno waived its right to challenge the sufficiency of the evidence even under the most generous reading of old Rule 50(b), and on the merits—as both courts below found—the evidence amply supported the jury's verdict.

A. Reno Waived Its Right to Move for JMOL Even Under the Most Lax Standard in Effect in September 2005

Reno suggests that if the Federal Circuit had applied its own law, it would have found Reno's mid-trial motion for JMOL adequate to preserve its right to challenge the sufficiency of the evidence. In particular, Reno argues that (1) the Federal Circuit in *Duro-Last* adopted the Sixth Circuit's liberal view of

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September 2005. *See also Pro Football Weekly, Inc. v. Gannett Co.*, 988 F.2d 723, 725 (7th Cir. 1993) (applying pre-amendment version of Rule 50 where "proceedings below were concluded prior to the rule's amendment").

old Rule 50(b) in *Boynton v. TRW, Inc.*, 858 F.2d 1178, 1185–86 (1988) (*en banc*); and (2) under *Boynton*, any pre-verdict motion for JMOL can be a predicate for a post-trial motion for JMOL on the same grounds. Reno is wrong on both points.

To begin with, the Federal Circuit did not adopt *Boynton*. The portion of *Duro-Last* quoted by Reno comes from a paragraph describing Duro-Last's argument. *See* 321 F.3d at 1106 ("Duro-Last urges us to follow the approach some other circuits have taken, adopting a liberal view of what constitutes a sufficient predicate for a Rule 50(b) motion."). The Federal Circuit loosely described *Boynton*, but it then noted that *Boynton* was inapposite because "there is no question that Duro-Last made a timely JMOL motion at the close of evidence." 321 F.3d at 1107.

In any event, Reno waived its right to challenge the sufficiency of the evidence supporting the verdict even under *Boynton*. *Boynton* did not anticipatorily adopt new Rule 50(b). It simply excused a failure to move for directed verdict at the close of evidence on "unique facts" where the district court had taken an earlier directed verdict motion under advisement, "indicat[ing] its firm intent to 'get the case to the jury,'" and the defendant's subsequent case was brief and cumulative. 858 F.2d at 1185–86. Ninth Circuit law was similar. The Ninth Circuit too had found a pre-verdict JMOL motion adequate if it was made at the close of the opponent's case and *remained pending* at the close of all the evidence because the trial court had never ruled on it. *See, e.g., Herrington v. Sonoma County*, 834 F.2d 1488, 1500 (9th Cir. 1987).

The problem for Reno here was that the district court *expressly denied* Reno's motion for JMOL at the

close of respondents' case. Moreover, Reno's omission was not technical or trivial. This was a seven-day trial. Reno moved for JMOL in the middle of trial on Day 3. Its motion was denied at the outset of Day 5, and the evidence did not conclude until the end of Day 6. Reno introduced extensive evidence relating to the on-sale bar after it moved for JMOL at the close of respondents' case, and some of that evidence (including both documents and testimony) was admitted after the district court denied the motion. The district court specifically invited Reno to move again during the trial, yet Reno declined or neglected to do so. No court would have absolved Reno in those circumstances. The only way to do so would have been to rewrite Rule 50(b) altogether. While Congress eventually did rewrite Rule 50(b), the Federal Circuit had no authority to do so.

B. In Any Event, the Outcome Would Be the Same Because (as Both Courts Below Held) the Evidence Supported the Jury's Verdict of Patent Invalidity

Finally, even if Reno had preserved its right to challenge the sufficiency of the evidence, the result here would be the same.

The district court found it unnecessary to decide whether Reno preserved its right to file a Rule 50(b) JMOL motion. It went straight to the merits and readily found that sufficient evidence supported the jury's on-sale bar verdict. [Pet. App. 5a–6a]

The Federal Circuit was procedurally more precise and found that Reno waived its right to move under 50(b). But it did reach the merits of Reno's virtually identical new trial motion, and held that

Reno had failed to show that the record contained no evidence to support the verdict. [Pet. App. 3a–4a] Nominally, the standards are slightly different: in reviewing denials of JMOL motions the Ninth Circuit looks for "sufficient" evidence to support the verdict, whereas in reviewing denials of new trial motions it looks for "any" evidence supporting the verdict or "exceptional circumstances in which the evidence weighs heavily against the verdict." *See, e.g., Dixon v. Wallowa County,* 336 F.3d 1013, 1019 (9th Cir. 2003); *United States v. Chen,* 754 F.2d 817, 821 (9th Cir. 1985). The difference is largely semantic, however. There is no reason to think that the Federal Circuit would have granted Reno JMOL when it denied Reno's parallel motion for a new trial.

CONCLUSION

Reno's petition for a writ of certiorari should be denied.

Respectfully submitted,

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